

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JANUARY 15, 2008- -7:30 P.M.

Mayor Johnson convened the Regular City Council Meeting at 7:43 p.m. Vice Mayor Tam led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers deHaan, Gilmore, Matarrese, Tam, and Mayor Johnson - 5.
Absent: None.

AGENDA CHANGES

(08-019) Mayor Johnson announced that Resolutions of Appointment [paragraph no. 08-020] would be addressed first.

REGULAR AGENDA ITEMS

(08-020) Resolution No. 14174, "Appointing Lamant Carter as a Member of the Youth Commission." Adopted;

(08-020A) Resolution No. 14175, "Appointing Vincent Margado as a Member of the Youth Commission." Adopted; and

(08-020B) Resolution No. 14176, "Appointing Bhaani Singh as a Member of the Youth Commission." Adopted.

Councilmember Matarrese moved adoption of the resolutions.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

The City Clerk administered the Oath and presented certificates of appointment to Youth Commission Members.

Mayor Johnson called a recess to hold the Special Community Improvement Commission Meeting at 7:45 p.m. and reconvened the Regular Meeting at 8:08 p.m.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

None.

CONSENT CALENDAR

Mayor Johnson announced that the Minutes [paragraph no. 08-021], Resolution Authorizing the City Manager to Submit an Application to CalTrans for \$45,000 [paragraph no. 08-026], and Resolution

Authorizing the City Manager to Submit an Application to CalTrans for \$96,000 [paragraph no. 08-027] were removed from the Consent Calendar for discussion.

Councilmember deHaan moved approval of the remainder of the Consent Calendar.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(08-021) Minutes of the Special and Regular City Council Meetings held on January 2, 2008. Approved.

Councilmember deHaan stated that he would like to have a task summary of the Golf Course action.

Mayor Johnson inquired whether Councilmember deHaan was requesting that staff bring back a summary of direction, to which Councilmember deHaan responded in the affirmative.

Councilmember deHaan moved approval of the minutes.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(*08-022) Ratified bills in the amount of \$2,577,645.63.

(*08-023) Recommendation to approve Amendment No. 6 to the Alameda County Emergency Dispatch Consortium Mutual Aid Agreement to Assign the Rights and Obligations of Lawrence Livermore National Security, LLC to the Alameda County Fire Department. Accepted.

(*08-024) Recommendation to authorize the City Manager to enter into a Consultant Agreement in the amount of \$200,000, including contingencies, with ARUP for the Estuary Crossing Feasibility Study. Accepted.

(*08-025) Recommendation to approve a Cooperative Agreement between the City of Alameda and AC Transit for formalizing collaboration on projects of mutual interest and authorize the City Manager to enter into such an agreement. Accepted.

(08-026) Resolution No. 14177, "Authorizing the City Manager to Submit an Application to CalTrans for \$45,000 in Transit Technical Planning Assistance Grant Funds for Fiscal Year 2008/2009 to Conduct a Citywide Transportation Systems Management/Transportation

Demand Management Plan, Commit \$5,830 in Measure B Funds as the Local Match, and Authorize the City Manager to Execute All Necessary Documents to Implement the Project." Adopted.

Note: The item was addressed together with Resolution Authorizing the City Manager to Submit an Application to CalTrans for \$96,000 [paragraph no. 08-027].

Vice Mayor Tam stated that she supports securing the grants; stated the Transportation Systems Management/Transportation Demand Management (TSM/TDM) addresses a concerted effort and identifies the City's goal to reduce congestion and peak hour traffic through the Posey Tube by reducing single occupancy vehicles; including the park-and-ride concept would be ideal; inquired how the issue could be pursued through the two grants.

The Public Works Director responded the park-and ride lot and transit hub, which would be discussed later, would fit in both categories, has a clear connection between TSM and TDM, but would fit better with the Long-Range Transit Plan; stated AC Transit looks for multiple transit lines as well as intermodal plans for a true transit hub.

Vice Mayor Tam inquired whether staff is requesting Council to authorize the City Manager to submit an application and would move forward with a fairly aggressive community outreach plan if grants were received; further inquired at which point Council would be in a position to direct staff to look at the park-and-ride project within the Long-Range Transit Plan.

The Public Works Director responded hopefully the Long-Range Transit Plan would be completed by the end of 2009; stated funds could become available late October 2008; the intent is to have public comment and solicit input through public meetings and then through the Transportation Commission; the final draft would come to Council.

Vice Mayor Tam inquired whether Council would have the ability to direct that the project be added into the Long-Range Transit Plan at some point, but not at this stage.

The Public Works Director responded staff would apply for the current Congestion Management Agency (CMA) and Metropolitan Transportation Commission (MTC) project; stated the first step is to see whether there is support at the regional level so that regional funds could be accessed; the next step would be to solicit public comment.

Mayor Johnson stated a transit hub has been discussed for the Atlantic Avenue, Ralph Appezzato Parkway, and Webster Street area; inquired whether said concept is in the Long-Range Transit Plan.

The Public Works Director responded discussions related to the College of Alameda and may be in the Long-Range Transit Plan.

Mayor Johnson called a recess at 8:18 p.m. and reconvened the Regular Council Meeting at 8:23 p.m.

Vice Mayor Tam moved adoption of resolutions [Authorizing the City Manager to Submit an Application to CalTrans for \$45,000, paragraph no. 08-026 and Authorizing the City Manager to Submit an Application to CalTrans for \$96,000, paragraph no. 08-027].

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

(08-027) Resolution No. 14178, "Authorizing the City Manager to Submit an Application to CalTrans for \$96,000 in Community-Based Transportation Planning Grant Funds for Fiscal Year 2008-2009 to Conduct an Update to the Long Range Transit Plan, Commit \$24,000 in Measure B Funds as the Local Match, and Authorize the City Manager to Execute All Necessary Documents to Implement the Project." Adopted.

Note: See Resolution Authorizing the City Manager to Submit an Application to CalTrans for \$45,000 [paragraph no. 08-026] for discussion and motion.

REGULAR AGENDA ITEMS

(08-028) Public Hearing to consider an appeal of the Historical Advisory Board's denial of a Certificate of Approval (CA06-0031) of demolition for 433 Taylor Avenue; and adoption of related resolution.

The Planning Services Manager gave a Power Point presentation.

Mayor Johnson inquired why the appeal is coming to Council without an application to rebuild.

The Planning Services Manager responded the Applicant wants to have assurance that the structure can be demolished before moving

forward with a design.

Mayor Johnson stated that she cannot imagine that rebuilding a porch, changing windows, removing and restoring the brickwork, and replacing the fireplace would cost \$537,000.

The Planning Services Manager stated that the bid was a comprehensive cost and included exterior and interior restoration.

Mayor Johnson inquired whether adding another 2,000 square feet would make the home livable to current standards.

The Planning Services Manager responded that the Applicant would remodel and arrange interior floor space to address current needs.

Mayor Johnson stated that she would like further information on the \$537,000 bid; a structure on Minturn Street was rebuilt after a fire and looks beautiful; there seems to be a significant difference between what would be approved and what the owners would like to build; she does not want to see another monster house in an area where there are small homes; questioned why the Applicant would want to demolish the structure if she is not willing to rebuild something acceptable.

Councilmember Matarrese stated that one issue is the determination by the Historical Advisory Board (HAB) that the house should not be demolished; the second issue is what the house would be replaced with if demolished; old does not mean historical; he does not want to have a vacant lot because what can be built there cannot be decided.

Councilmember deHaan stated the existing structure could be livable with a few modifications; the situation has three different scenarios.

The Planning Services Manager stated the HAB is faced with determining whether or not the structure is one that should be demolished because it lacks historical integrity and does not have any relationship to past persons or events; Council can make the decision to grant the appeal if Council cannot find that the structure can return a financial value; the structure needs to tie into the neighborhood.

Councilmember Matarrese stated that he would like to have the City Attorney interpret whether or not Council makes decisions based on guaranteeing someone a financial return; he is not sure whether said criteria is applied when looking at historic significance.

The City Attorney stated the HAB considers two things when considering whether a structure with some historic benefit should be demolished: 1) whether the structure has historic value, and 2) whether refusing to grant the demolition permit versus restoring the structure would provide economic return to the property owner; Council would make the same findings; suggested that Council seek further information from the Applicant for determination.

Councilmember deHaan stated the HAB had no problem with demolishing the structure as long as the new structure had some redeeming value that would be conducive to the rest of the neighborhood.

Vice Mayor Tam inquired whether the structure was determined to be historical.

The Planning Services Manager responded no redeeming architectural qualities or historical relationship to a historic event or person were found.

Mayor Johnson stated the HAB denied the demolition permit; she does not think there is enough information to make a finding tonight; she does not think reconstruction costs are clear; inquired whether the Planning Department has information on how many square feet would be reconstructed.

The Planning Services Manager responded the Planning Department has the same information that is included in the packet.

Mayor Johnson stated that doubling the size of the structure is not restoring the structure.

The Applicant stated the main roof beam is 1" x 4"; the entire roof has to be removed to bring the roof up to code; the walls and foundation need to support the new roof; demolition costs would be less; working with the existing structure is expensive.

Mayor Johnson inquired whether the Applicant would not get an economic return by demolishing and reconstructing the house.

The Applicant responded the structure needs to be torn down to bring the structure up to code; stated a demolition permit would be needed one way or another.

Councilmember deHaan inquired what was the square footage on the last application.

The Applicant responded the existing house is approximately 1,600 square feet.

Mayor Johnson inquired whether the 1,600 square feet includes the garage.

The Applicant responded in the negative; stated the updated plans are approximately 3,200 square feet.

Councilmember deHaan inquired what is the lot percentage.

The Applicant responded the lot percentage is within the 40% lot coverage.

Councilmember deHaan stated that the house does not resemble a 1906 structure; a lot of change has taken place; homes are disproportionate in size near Lincoln School; efforts have been made to keep scale in neighborhoods.

Councilmember Gilmore inquired whether the demolition permit can be coupled to major design review, to which the City Attorney responded in the negative.

Mayor Johnson stated that there is not enough information to make a decision; the bid needs to be clearer.

The City Attorney stated that in order for the Applicant to support her assertion that there would not be an economic return on the property she would need to show that the cost of remodeling the existing house, bringing the house up to code, making alternations to bring the house back to the original historical value, and putting the house on the market would exceed the value of the lot with the refurbished house.

Councilmember Matarrese inquired whether said scenario is assuming that the house is historical.

The City Attorney responded in the affirmative; stated the HAB could have refused to grant the request if the structure had historical value; stated the HAB could grant the request to demolish the structure if the Applicant was able to show an insufficient economical return on the investment.

Councilmember Matarrese stated the HAB findings note "Even though the residence does not show identifying marks, it should be saved because it completes the cultural fabric of the neighborhood. Houses that are eclectic surround the residence and they are

historic. This house has retained some historical characteristics and could be remodeled and returned to its original Colonial Revival style"; the same logic can apply to any place in the City; the house is nondescript because of alterations; the finding does not point to historic significance for the house; he cannot see how the appeal cannot be overturned.

Councilmember deHaan stated certain design requirements would be necessary; inquired whether compatibility with the rest of the neighborhood would be required.

The City Attorney responded there would be an opportunity later on to pass on the design review should the Applicant come forward with a design to rebuild the house; stated the matter cannot be conditioned tonight.

Mayor Johnson stated the Applicant should not assume that she can rebuild to the desired size if the appeal is overturned; size and scale within the neighborhood is very important; bad mistakes should not be repeated.

The Applicant questioned why she would be denied when similar structures are being built.

Mayor Johnson suggested that the Applicant provide a list of said structures.

The Applicant stated that she is not exceeding the height of the existing structure; the footprint is not much bigger than the existing house; there do not seem to be any direct guidelines.

Mayor Johnson stated design guidelines include criteria of compatibility with the neighborhood and size and scale.

Councilmember Matarrese stated a process is in place that has a set of defined code requirements for setbacks, height, and design guidelines.

Mayor Johnson stated guidelines have not been appropriately applied in the past.

Councilmember deHaan cautioned staff to ensure that proper guidelines are applied; stated the area is zoned for duplexes.

Councilmember Gilmore stated the demolition permit cannot be tied to what or what may not be built on the lot; the HAB finding is too broad and there would be no demolition anywhere in the City if

applied across the board; requested that HAB review and tighten up standards; the structure does not qualify as a historical structure based upon the finding and pictorial evidence.

Councilmember Gilmore moved adoption of the resolution allowing the Applicant to proceed with demolition.

Vice Mayor Tam seconded the motion.

Under discussion, Councilmember Matarrese directed the Applicant and staff to go through the guidelines so that Council would not need to hear a design review appeal.

On the call for the question, the motion carried by unanimous voice vote - 5.

(08-029) Recommendation to accept report on the Government Accounting Standards Board Statement No. 45 on accounting for other post employment benefits.

John Bartel with Bartel Associates, LLC gave a Power Point presentation.

Mayor Johnson stated that she does not understand why numbers are presented when CalPERS will not project out more than two years.

Mr. Bartel stated that an actuarial evaluation requires that he make a best guess on healthcare costs.

Mayor Johnson stated that 7.75% does not seem like a realistic number.

Mr. Bartel inquired whether the percentage seems too high, to which Mayor Johnson responded in the affirmative.

Mayor Johnson inquired what the return has been over the last ten years, to which Mr. Bartel responded 9%.

Mayor Johnson inquired what the returns have been over the last three years.

Mr. Bartel responded 12% to 13%; stated returns were 18% at the end of 2007; the short history is extremely good; the 7.75% is treated with conservatism; he believes 7.75% is an appropriate assumption.

Mayor Johnson stated that everyone hopes that the federal government will do something about medical inflation; inquired what

would be the result on the calculations by assuming a 4.5% medical inflation rate after 10 years.

Mr. Bartel responded healthcare becomes 100% of the Gross Domestic Product (GDP) if healthcare continues to grow in the high single or low double digits and general inflation is 3%; the scenario of doing nothing means having natural market forces controlling healthcare costs which results in private sector entities dropping healthcare coverage; the end result would be 50% of the population uninsured; something would need to be done; the actuarial accrued liability might be 30% higher if the grade is increased from 4.5% to 6%; accounting standards suggest that an evaluation every two years for agencies that have more than 200 participants.

Mayor Johnson stated a two-year evaluation is fine, but the chart should not go out as far as it does based on a 4.5% medical inflation number; assuming that the federal government will adopt a national healthcare plan is very optimistic.

Mr. Bartel stated that he is reluctant to project beyond a ten year period in terms of actual dollars; he cannot predict what will happen ten years from now.

Councilmember Matarrese stated that Pay-As-You-Go could be much more expensive than pre-funding with a fund that starts having a return from investments.

Mr. Bartel stated Pay-As-You-Go is similar to how social security is funded today; a check is written when the payment is due; social security has a trust fund; the trust fund will run out in approximately 15 years; tax dollars will not be sufficient to pay for expected benefits; social security is funded by a quasi pre-funding; CalPERS and private sector retirement systems require that money be set aside so that there is money in a trust and the money will be there as people retire; the City has entered into a contract with CalPERS to pre-fund benefits.

Councilmember deHaan stated many municipalities have addressed the issue.

Mr. Bartel stated that he has performed approximately 150 evaluations; he predicted that four out of five of his clients would not do any pre-funding four or five years ago; he was wrong; the majority of his clients do not have the budget ability to pay the full Annual Required Contribution (ARC) immediately; he is convinced that most of his clients will either phase into paying the full ARC or adopt a standard of putting something aside so that

money can be set aside if the budget turns around.

Councilmember deHaan inquired whether phasing-in will be the most likely method.

Mr. Bartel responded very few agencies pay the ARC right away; stated a few agencies started setting money aside, allocating internal service funds, and transferring money into an irrevocable trust; the majority of agencies will either phase into paying the full ARC or intend to phase into the full ARC over a five or ten year period; new strategies include Pay-As-You-Go plus normal costs; normal costs are the value of benefits being earned during the year by active employees.

Councilmember deHaan inquired whether bond rating might become the real factor in pushing municipalities.

Mr. Bartel responded that he is not a bond rating expert; stated he had two clients that set money aside in an internal service fund; both were going through a bond rating for a capital improvement project; both expressed a strong interest in pre-funding, paying the full ARC, and moving the money into a irrevocable trust; both agencies had an upgrade in bond rating because they were addressing the unfounded liability; a bond rating might not change but may be downgraded if not addressed.

Councilmember deHaan inquired whether anyone has ever borrowed to pay.

Mr. Bartel responded two agencies in the State have done so; stated Peralta College is one; CalPERS premiums can be 50% one year and 5% the next; volatility in actuarial liability is created if changes happen when an evaluation is done; he is reluctant to advise agencies to bond for the entire amount; he would be cautious about paying off the entire unfunded liability.

Mayor Johnson stated that it is important for people to look at the charts on page 3 and 5 of the report; the cheapest option is Pay-As-You-Go; the ten year payout projections increase from \$1,861 million for 2007-2008 to \$4,342 million for 2016-1017; the better options are more expensive; the cost comes out of the General Fund.

The City Manager stated that the cost comes out of the General Fund for the most part.

Mayor Johnson inquired what is the General Fund for the current year, to which the City Manager responded \$85 million.

Mayor Johnson stated healthcare benefits are only one part of pension costs; it is important for people to know how costs impact the General Fund and City services.

Councilmember deHaan inquired whether the City Manager and Finance Director will come back with recommendations to which the City Manager responded recommendations will be presented during budget discussions.

Councilmember deHaan inquired whether guidelines are requested from Council at this time, to which the City Manager responded not at this time.

Mayor Johnson requested that the report and Power Point presentation be posted on the website.

Councilmember Matarrese stated that all options should be presented during discussions

Mayor Johnson inquired what is the discretionary portion of the General Fund, to which the Finance Director responded she does not have the number.

The Finance Director stated that \$58 million pays for salaries, benefits, and pensions.

Councilmember Gilmore stated pension and retiree benefits need to be discussed; knowing the overall number would be useful.

Councilmember Matarrese thanked Mr. Bartel for the clear presentation; stated that the charts depict where the impacts are and the seriousness of the situation.

Mayor Johnson requested that the charts on Page 13 and 14 be changed so as to not assume a 4.5% medical inflation after ten years.

Mr. Bartel stated the logic of going beyond ten years is not to attach precision to the numbers.

Mayor Johnson stated that numbers should be provided for both the miracle case and worst case.

Mr. Bartel stated that the worst case could be double digit inflation in the CalPERS premiums for the next thirty years; other things might happen before then; he would like to talk with staff

regarding different scenarios.

(08-030) Recommendation to approve the proposed New Bus Stop Locations and the proposed future rerouting of the AC Transit Bus Line 63 within the City of Alameda.

The Supervising Civil Engineer introduced AC Transit representatives and Transportation Commission members.

The Program Specialist II gave a brief Power Point presentation.

Councilmember deHaan stated the bus line goes to Oakland at two different spots; inquired what is the overall run time for the route.

Tony Bruzzone, AC Transit Manager of Service and Operation Planning, responded fifty minutes each way; stated the bus line goes past the 12th Street BART Station and terminates at 11th Street and Martin Luther King, Jr. Boulevard.

Councilmember deHaan inquired how many minutes the bus line is in Alameda, to which Mr. Bruzzone responded thirty-seven minutes.

Councilmember deHaan inquired where is the vast majority of ridership, to which Mr. Bruzzone responded ridership is all in Alameda.

Vice Mayor Tam noted for the record that Council received an email from Claudia Davidson; stated Ms. Davidson was advocating for alternative bus stops on Willow Street closer to the medical facilities; stated that she responded to Ms. Davidson and noted that Council's desire is to implement its transit policies with minimal interference with the neighborhood and it is important to balance the desires of the residents who want to park directly in front on their homes with those that need to take the bus and walk further; encouraged Ms. Davidson to clarify her alternative.

Opponents (Not in favor of the staff recommendations): Liz Cleves, Alameda, (submitted handout); Diane Voss, Alameda; Jack Boeger, Alameda; Ed Gersich, Alameda; Claudia Davison, Alameda, (submitted handout); George Wales, Alameda; and Chris Placencia, Alameda.

Proponents (In favor of the staff recommendations): Ursula Apel, Alameda, (statement read by Susan Decker); Will Matievich, Alameda; Susan Decker, Alameda; and Michael John Torrey, Alameda.

Councilmember Matarrese inquired how much time would be saved if

the bus looped around at the first possible moment after 12th Street and Broadway.

Mr. Bruzzone responded said scenarios cannot be done; stated parking the bus is a problem in downtown Oakland; the current route is the best for now.

Councilmember Matarrese stated that he is not suggesting parking the bus at the end of the line; the end of the line could become the middle where the bus could be parked [at the ferry terminal].

Mr. Bruzzone stated that passengers would sit through a ten-minute break.

Councilmember Matarrese stated passengers have to sit through a ten-minute break somewhere.

Mr. Bruzzone stated that passengers get off the bus in Oakland; the passenger experience is different.

Councilmember Matarrese requested that the idea be considered; stated that he would like to review the option of taking the bus down to Shoreline Drive between Willow and Grand Streets; inquired how much more time would be added, to which Mr. Bruzzone responded two minutes.

Councilmember Matarrese stated that adding an additional bus would be another suggestion; inquired whether the request is realistic.

Mr. Bruzzone responded the matter could be considered; stated an additional bus would cost approximately \$350,000 per year; AC Transit is running out of buses.

Councilmember Matarrese stated that Line 63 serves Alameda the most and serves intra-City traffic better than any other line; enhancing the line should be reviewed; a bus should be allocated on Shoreline Drive between Grand and Willow Streets, even if temporarily; the cost could be offset with increased ridership and would resolve the Otis Drive issue; reducing speed and managing traffic around Lum School is important; most of the problems at the crosswalk are caused by cars; a bus stop would further complicate automobile issues.

Councilmember deHaan inquired what is the purpose of turning off Shoreline Drive onto Grand Street.

Mr. Bruzzone responded December 2003 had extreme cutbacks; stated

there was a \$20 million deficit; Alameda had four cross island buses; Alameda had to give up one of the lines; residents desired to have a route that went across the entire Island; AC Transit is not so desperate now; that matter can be reviewed.

Councilmember deHaan inquired whether the Transportation Commission recommended other places.

Mr. Bruzzone responded the Transportation Commission thought the bus could be used better someplace else; stated a huge schedule analysis was done on the 51 bus line; two afternoon buses were added to the schedule; a run time analysis showed that the buses were running early; two buses were wasted.

Councilmember deHaan stated multiple devises have been installed at the Lum School crossing and getting across is still a chore; adding to the confusion does not make sense; buses travel at approximately 35 miles per hour with children present; safety needs to be first and ridership second; two light controlled intersections would be lost by going down Shoreline Drive to Eighth Street; Wood School students are the vast majority of Grand Street and Otis Drive bus riders; Whitehall Place is almost the same distance to the hospital as a secondary stop proposed in front of Willow Street; more traffic congestion would be created; run time was not addressed before, only adding two stops; Alameda Point is concerning.

The Program Specialist II stated currently Encinal Avenue does not have a route; Santa Clara Avenue would be the nearest parallel route if the route extended along Shoreline Drive to Westline Drive.

Councilmember deHaan stated 500 people signed a petition not to have a bus stop at Grand Street and Otis Drive; the rule is to run buses where there is density.

Councilmember Matarrese inquired how the scenario would work if the bus stop dropped at Shoreline Drive and traveled up Grand Street, ran by Encinal High School during school hours and cut out the Monarch Street end.

The Program Specialist II responded staff estimated that the Encinal High School and Alameda Point adjustments would total four minutes and bring the bus back on schedule; adding the Shoreline Drive component would put the schedule two minutes behind.

Councilmember Matarrese inquired how many minutes would be saved by ending the line at the Alameda Ferry Terminal.

Mr. Bruzzone responded he would not recommend said scenario; stated people would be waiting on the bus during a layover; the idea is not practical.

Councilmember Matarrese stated that the bus runs in a circle; one of the defined ends is the Fruitvale Bart Station.

Mr. Bruzzone stated that no one is on the bus; people hate being delayed in route; drivers would have an issue.

Councilmember Matarrese stated that he is willing to give up the two minutes to get down to Shoreline Drive and look into adding another bus to fill the gap.

Mayor Johnson inquired whether notice has been provided to Shoreline Drive residents, to which the Program Specialist II responded barricades were posted.

Councilmember Gilmore stated the proposed route changes take four minutes off the current run time and brings the route back on schedule; two minutes would be added by going down Shoreline Drive and making the other changes.

Mr. Bruzzone stated that the matter could come back if proposed changes do not work.

The Program Specialist II stated the Transportation Commission recommended improving the Shoreline Drive bus stops before moving to Shoreline Drive; said bus stops are on sand.

Councilmember Gilmore inquired whether the \$162,000 needed for bus stop improvements along Shoreline Drive and is not in the budget, to which the Program Specialist II responded in the affirmative.

Councilmember Gilmore inquired how much money was budgeted for Otis Drive, to which the Program Specialist II responded \$50,000.

Councilmember Matarrese inquired whether money for the bus stop concrete pads could be taken from different congestion management funds.

Mayor Johnson responded staff could explore said idea.

Councilmember Gilmore stated perhaps the Transportation Commission did not push for the Shoreline Drive stop because the City did not have \$162,00 for improvements; AC Transit is willing to explore

rerouting the bus stop down Shoreline Drive; resources need to be found to fix the bus stop pads; rerouting the bus stops is not fair until said resources are found.

Councilmember Matarrese moved approval of 1) changing the route at Monarch Street; 2) making the recommended changes associated with Encinal High School; and 3) making the change that routes the bus down Shoreline Drive pending the availability of funds for required bus stop upgrades along Shoreline Drive on the beach side of the street.

Councilmember Gilmore inquired where the bus stop would be on Willow Avenue, to which Councilmember Matarrese responded the bus stop would stay where it is.

Councilmember deHaan stated the Whitehall Place bus stop needs to be modified somehow; inquired whether the W line generates more ridership, to which Mr. Bruzzone responded that he did not know.

Mayor Johnson stated that real efforts have been made to make bus stops accessible.

Councilmember deHaan stated that he would like to see the bus line rerouted down Shoreline Drive and later look at alternatives to go down Westline Drive; he would not like to modify Alameda Point but allow the modification on Pacific Avenue to go forward jogging at key periods of time to pick up Encinal High School students; he would like to leave Alameda Point the way it is.

Mayor Johnson inquired whether Councilmember Matarrese's motion includes keeping schedules the same all the time or changing times depending on Encinal High School.

Councilmember Matarrese responded the motion includes the Encinal High School change.

The Supervising Civil Engineer stated the Transportation Commission struggled with the four-minute issue and recommended that the matter be reviewed as an interim measure.

Councilmember Matarrese stated that he is willing to keep Alameda Point the way it is but wants to drop down to Shoreline Drive because of the apartments and taking the Lum School bus stop issue out of the equation.

Vice Mayor Tam stated that everything that has been said tonight revolves around trying to improve and locate bus stops in the most

optimum position so that there is a viable public transit system; ridership would improve and become a success if AC Transit is able to improve run times; the Transportation Commission has gone through an exhaustive process.

Vice Mayor Tam moved approval of staff recommendations 1 through 6 and added direction for staff to look at reducing the number of lanes from four to three on Otis Drive; the matter could be part of a long-term study to look at opportunities to reduce congestion on Otis Drive by having more transit choices whether the choices be bicycles, cars, or a more viable transit system.

The motion was rescinded because a preceding motion was outstanding.

Councilmember deHaan seconded Councilmember Matarrese's motion with modifications.

Mayor Johnson stated that AC Transit is working with the City on reviewing routes; the Transportation Commission did not have said opportunity.

Robb Ratto, Transportation Commission Member, stated the Transportation Commission was dealing with the reality of the budget; the Transportation Commission's desire was to move the bus line to Shoreline Drive; staff advised the Commission that there was no budget to improve the Shoreline Drive bus stop pads; everyone agreed to cut the Monarch Street loop; six riders per day does not make for an affective transit program, especially when two minutes is taken out of the schedule; an additional bus could be used elsewhere for more transit riders.

Mayor Johnson inquired whether the bus could run on time if the Monarch Street loop is not cut, to which Mr. Bruzzone responded in the negative.

Councilmember deHaan stated route times were not previously discussed.

Councilmember Matarrese stated that he is not in support of approving recommendations 1 through 6 because #4 is a reluctant recommendation; the Transportation Commission really wants #5; one scenario is to leave Monarch Street and make all the other changes including #5; making the service more reliable would necessitate moving Monarch Street to Lexington Street.

Mayor Johnson stated that it is more important to have reliable

service than to have the Monarch Street portion; the bus service needs to be on time.

Councilmember deHaan stated the bus line brings retail segments together.

Councilmember Matarrese amended the motion to move approval of recommendations, 1, 2, 3, 5, and 6.

Councilmember deHaan seconded the motion.

Under discussion Councilmember Matarrese directed staff to find the balance of money needed to satisfy Shoreline Drive bus stops that are on sand.

Mayor Johnson inquired whether Councilmember Matarrese wanted to include addressing the issue that the Transportation Commission raised regarding traffic calming speed reduction.

Councilmember Matarrese stated said issue could be a separate motion.

Councilmember Gilmore stated the motion is to have AC Transit reroute from Monarch Street to Lexington Street, provide service at Encinal High School during peak periods; does not include #4, which is implementing new bus stops on Otis Drive, the bus will run down Otis Drive as usual; staff is directed to find money for Shoreline Drive bus stop improvements; the Whitehall Place and Willow Street bus stops will continue to be a priority.

Vice Mayor Tam inquired whether the matter still has to go to AC Transit for evaluation, regardless of Council's decision.

Mr. Bruzzone responded the evaluation would be a formality; stated the earliest date for a possible route change is June.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers deHaan, Gilmore, Matarrese, Mayor Johnson - 4. Noes: Vice Mayor Tam - 1.

Vice Mayor Tam stated that the proposal is not fiscally responsible.

Councilmember Gilmore stated that staff has been directed to find the money for bus stop improvements; Council may not like any of the proposals; the bus would not run along Shoreline Drive if improvements cannot be made; a decision would need to be made to

revisit the Otis Drive bus stop.

Mayor Johnson concurred with Councilmember Gilmore; stated staff would bring the matter back to Council; options need to be weighed.

Councilmember deHaan noted \$50,000 is available [for bus stop improvements]

The City Manager stated a different appropriation would be needed for additional funds; other projects would be impacted.

Councilmember Gilmore inquired whether staff would be able to apply for bus stop improvement grants, to which the Supervising Civil Engineer responded in the affirmative.

Councilmember Matarrese stated the bus line is Alameda's line and is a priority; Council acted responsibly tonight; an unfunded mandate was not given; issues were resolved regarding better run times; a policy decision has been made to forestall stops on Otis Drive; concerns have been voiced regarding traffic conditions at Lum School; Otis Drive is a very fast area and is unsafe to cross; he hopes that Council can give direction to take the next step at looking at the intersection, particularly at Lum School; other projects can be reviewed on a priority basis.

The Supervising Civil Engineer stated that staff is going through a Transportation Master Plan review process and is developing a Citywide commuter model that will help give some idea of the impacts.

Mayor Johnson thanked AC Transit representatives for attending the meeting.

Councilmember Matarrese stated that he appreciates the time and effort expended by AC Transit.

* * *

(08-031) Councilmember Matarrese moved approval of continuing the meeting past 12:00 midnight.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

* * *

(08-032) Resolution No. 14180, "Authorizing Implementation of Parking Restrictions at Bus Stops on State Route 61 to Provide Curbside Access for Buses." Adopted.

The Supervising Civil Engineer gave a brief presentation.

Councilmember deHaan inquired whether there is an obligation to notify and post in the area.

The Supervising Civil Engineer responded that everyone within 300 feet of the bus stop was notified; stated notices were posted on barricades.

Councilmember deHaan inquired whether any feedback has been received.

The Program Specialist II responded feedback was received from two residents near the intersection of Central Avenue and Bay Street; both residents were concerned about on-street parking availability; 17 to 23 on-street parking spaces are available within half a block.

Councilmember deHaan stated evening parking is not impacted.

Councilmember Gilmore stated people could get ticketed if they are not gone by 7:00 a.m.

Mayor Johnson inquired whether the Encinal Avenue and Park Avenue bus stop is included, to which the Program Specialist II responded in the negative.

David Edwards, Alameda, stated a bus stop is located at the Weber Street bi-section and Ninth Street through Central Avenue; there is a fire plug at the Weber Street bus stop; the proposed metered parking space is in front of his house; having a red zone that is two car lengths or more would be an the advantage of having a bus stop at the intersection of Ninth Street and Central Avenue; westbound traffic would be easier to see [at the intersection]; the next best spot would be across the intersection which has a driveway on either side.

Mayor Johnson inquired whether the Transportation Commission reviewed the matter, to which the Program Specialist II responded in the negative.

Michael John Torrey, Alameda, stated restrictions should be placed at all bus stops.

Councilmember deHaan concurred with Councilmember Gilmore [regarding the 7:00 a.m. matter]; stated that he does not know how

to get around the issue.

Councilmember Gilmore inquired whether people park at the bus stops between 7:00 a.m. and 9:00 a.m.

The Supervising Civil Engineer responded feedback did not indicate any substantial concern other than the previously mentioned Bay Street location; stated review showed ample on-street parking.

Councilmember deHaan requested clarification on Mr. Edward's situation.

The Program Specialist II stated plans are to relocate the bus stop; the bus stop would be moved up 50 feet.

Mayor Johnson requested that staff explore the matter with Mr. Edwards.

Vice Mayor Tam moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

(08-033) Patrick Lynch, Alameda, stated that the property owner adjacent to his home is in default of deed restrictions for a landscape installation and maintenance agreement.

COUNCIL REFERRALS

(08-034) Consideration of developing a transit hub on the land between Marina Village Drive and the entrance to the Posey Tube in order to address congestion in the Tubes.

The Supervising Engineer gave a brief presentation.

Mayor Johnson inquired whether the \$1.3 million estimate would be for the parking lot, to which the Supervising engineer responded in the affirmative.

Councilmember Matarrese stated that the proposed area is the only available land for a park-and-ride on the West End; he would like to have the matter moved up on the priority list; \$1.3 is a flea bite of money considering all of the congestion management money spent to do freeway repair and maintenance that does not relieve congestion on I-880 and I-580; one way to reduce tube congestion is to get people out of single occupancy vehicles.

The Supervising Engineer stated that funding could be pursued once the project becomes part of the 2035 Transportation Plan.

Councilmember Matarrese stated that he would like to start working with the State to deed the land to the City for nothing.

Mayor Johnson stated that she recalls a transit hub may not be the best place for a park-and-ride.

Councilmember Matarrese stated that nothing prevents having multiple hubs; the West End does not have other places for a ride share lot.

Councilmember Gilmore stated the staff report notes that the development of a sewer master plan and design to upgrade existing drainage improvements would need to be deferred.

The Supervising Engineer stated staff time would be impacted; the bicycle master plan update could be delayed also.

Councilmember Gilmore stated that said delays are not good trade-offs.

The City Manager stated applying for grant funding can be done now.

Mayor Johnson stated transit hub locations should be reviewed; the proposed area may be okay for a park-and-ride but not a transit hub; staff can apply for a park-and-ride grant and review the transit hub issue.

The Supervising Engineer stated that staff is reviewing the idea of adding a queue jump lane at Webster Street as part of the Tinker Avenue Extension Project; the park-and-ride lot could tie into the Posey Tube entrance.

Councilmember Matarrese noted that staff provided drawings that show configuration and aerial views.

The City Manager stated that staff would update Council on the grant application.

COUNCIL COMMUNICATIONS

(08-035) Mayor Johnson stated the information that she requested under item 5-C should be posted to the website and should clarify that the General Fund non-contracted portion is used to pay for all

General Fund department expenses; the General Fund does not have extra money; General Fund department expenses will be cut to pay for increasing pension and retirement costs; the question is where cuts will be made.

(08-036) Mayor Johnson stated that some public entities are distributing agenda packs via flash drives; inquired whether the option should be considered for Boards and Commissions; stated the CMA is thinking about using flash drives; she would get more information on the matter.

(08-037) Councilmember deHaan inquired when the budget review process would start.

The City Manager responded internally, the internal process has started; stated a timeline will be provided to Council.

Councilmember deHaan inquired whether feedback has been provided regarding the reserve.

The City Manager responded information would be provided.

Councilmember deHaan inquired whether staff has any idea regarding projected cuts at the State level.

The City Manager responded the Finance Director has done an analysis; stated impacts are more immediate for the School District than the City.

(08-038) Councilmember deHaan requested interpretation of the Charter provision regarding the use of recreation land owned by the City that was raised during the Golf Course discussion at the January 2, 2008 City Council Meeting.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 12:26 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JANUARY 15, 2008- -6:00 P.M.

Mayor Johnson convened the Special Meeting at 6:10 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(08-016) Conference with Legal Counsel - Anticipated Litigation;
Significant exposure to litigation pursuant to subdivision (b) of
Section 54956.9; Number of cases: One

(08-017) Conference with Labor Negotiators; Agency Negotiators:
Craig Jory and Human Resources Director; Employee Organizations:
All Public Safety Bargaining Units.

(08-018) Workers' Compensation Claim (54956.95); Claimant: James
Ritchey; Agency Claimed Against: City of Alameda.

Following the Closed Session, the Special Meeting was reconvened
and Mayor Johnson announced that regarding Legal, Council received
a briefing from Legal Counsel regarding a threat of litigation; no
action was taken; regarding Labor, Council received a briefing from
its Labor Negotiators on the status of labor negotiations within
public safety; regarding Workers' Compensation, Council provided
settlement authority to resolve the claim.

Adjournment

There being no further business, Mayor Johnson adjourned the
Special Meeting at 7:35 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown
Act.

MINUTES OF THE SPECIAL COMMUNITY IMPROVEMENT COMMISSION MEETING
TUESDAY- -JANUARY 15, 2008- -7:25 P.M.

Chair Johnson convened the Special Meeting at 7:45 p.m.

ROLL CALL - Present: Commissioners deHaan, Gilmore, Matarrese, Tam, and Chair Johnson - 5.

Absent: None.

SPECIAL ORDERS OF THE DAY

(08-03) Update on the Alameda Theater, Cineplex, and Parking Structure Project.

The Redevelopment gave a brief presentation.

Commissioner Matarrese inquired whether the interior restoration was damaged due to leaks, to which the Redevelopment Manager responded in the negative.

Chair Johnson stated that she is glad the leaks were discovered now and not after the Theater opens.

Commissioner deHaan stated restoration and parking garage costs are \$16 million; inquired whether the overall project cost totals \$37 million, to which the Redevelopment Manager responded in the affirmative.

CONSENT CALENDAR

Commissioner deHaan moved approval of the Consent Calendar.

Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*08-04) Minutes of the Special Community Improvement Commission Meeting of January 2, 2008. Approved.

(*08-05) Recommendation to approve a Contract with City Design Collective in the amount of \$74,925 for the North of Lincoln Strategic Plan for the Park Street Business District. Accepted.

(*08-06) Resolution No. 08-152, "Authorizing the Substitution of a Surety Bond for the Cash Funded Reserve Account Relating to the Commission's \$17,510,000 Community Improvement Commission of the City of Alameda Tax Allocation Refunding Bonds (Business and

Waterfront Improvement Area), Series 2003C, and the Commission's \$1,025,000 Taxable Tax Allocation Refunding Bonds (Business and Waterfront Improvement Area), Series 2003D, Approving the Form and Authorizing and Directing Execution of a Guaranty Agreement Relating to Such Surety Bond and Authorizing and Directing Certain Actions with Respect Thereto." Adopted.

AGENDA ITEM

(08-07) Recommendation to adopt the update to the Economic Development Strategic Plan.

The Development Services Director gave a brief presentation.

Commissioner deHaan stated that surveys indicate that Alameda Point top priorities include: 1) Recreation amenities; 2) public access to the waterfront; and 3) job creations through commercial development; affordable housing and historical preservation ranked lower.

The Development Services Director stated specific plan goals address the need to ensure that the development includes multi-modal, transit-oriented-development concepts; a good mix of commercial, industrial and retail uses; developing a core center; public access issues; and public benefits.

Commissioner deHaan inquired how valid was the study's demographics.

The Development Services Director responded the survey was statistically valid; voting and non-voting residents were surveyed.

Commissioner deHaan stated that a concerning factor has always been where people work; other surveys indicate that 42% of residents work in San Francisco; the current survey indicates that only 5% work in San Francisco; the developer needs to understand the percentage because of transportation corridor issues.

Chair Johnson stated that the Public Transit Committee performed a survey which showed a high number of South Bay commuters.

The Development Services Director stated that she would like to do a survey comparison.

Commissioner Matarrese stated the background information is good; the Economic Development Commission [EDC] did a great job; he supports strategy one [create industrial and office jobs]; the follow up should connection what is going on with Harbor Bay

Industrial Park, what is not going on with the Marina Village commercial area, and what is going on with planning Alameda Point; job replacement was one of the mandates of the former Base closure; 14,000 civilian jobs were lost when the Navy closed.

Commissioner deHaan stated 5,500 civilian jobs were lost; the military totaled approximately 11,000.

Commissioner Matarrese stated that he would like to see a road map outlining what will be done; Alameda Point is important as a place to generate jobs as well as Marina Village and the Harbor Bay industrial area; there is a good handle on retail; an important objective is to have jobs that reduce the number of commuters leaving the Island; directed that the EDC flush out the how to of accomplishing what strategy one.

Commissioner deHaan stated that Harbor Bay has had great success; a plateau has been reached on retail; expressed kudos to the EDC.

Commissioner Matarrese moved approval of the staff recommendation with direction to emphasize resources on implementing strategy one.

Commissioner deHaan seconded the motion with the caveat that a plaza is well overdue in the Park Street area.

On the call for the question, the motion carried by unanimous voice vote - 5.

ADJOURNMENT

There being no further business, Chair Johnson adjourned the Special Meeting at 8:08 p.m.

Respectfully submitted,

Lara Weisiger
Secretary

The agenda for this meeting was posted in accordance with the Brown Act.